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Baxter: Competition is not always the best way

By Don Williamson Staff Writer

The problem with U.S. antitrust laws is not on the books, but in the courtrooms, according to William Baxter, assistant attorney general of the Antitrust Division of the U.S. Department of Justice.

Baxter was in San Diego to participate in the White House Conference on Productivity and addressed more than 100 people at a banquet last night at the Hilton Hotel.

"Federal judges have the mistaken notion that more people doing the same thing looks like competition and therefore is good," said Baxter, who advocated more joint research and development projects within U.S. industry to improve productivity.

He added that there is "no law on the books" that prevents such projects and only the interpretations of various federal judges kept these ventures from taking place.

Baxter has been criticized in some circles for reducing the staff of anti-trust lawyers in his division by one fourth and for allowing the number of non-merger prosecution cases to fall from 80 in the last two years of the Carter administration to 29 in the first two years of the Reagan administration.

His supporters, however, cite a doubling of grand jury investigations

during the same time period and the resolution of the bureaucratic logjams stemming from suits against International Business Machines and American Telephone and Telegraph.

Baxter cited the need for continued government intervention in some areas such as patents and copyright laws and pushed for support of a legislative package currently before Congress.

Baxter indicated that the proposed law called for provisions that would protect research and development ventures from private antitrust suits, but still permit government action if any such ventures were deemed anticompetitive.

Baxter frequently referred to the rapid growth of Japanese industries as an example of why increased U.S. productivity was necessary. Even that topic, however, was couched in his theme of less government interference.

"For all we know, the Japanese economy might be better off if there had been no government intervention," said Baxter, who added that a healthier economy would have to be achieved without reducing military spending or the amount of tax dollars appropriated for improving nation's infrastructure of highways and bridges.